

March 7, 2025

Chairman Headland and members of the House Finance and Taxation Committee,

Re: Senate Bill 2039

**SUPPORT** Letter

Chairman Craig Headland and Members of the Committee,

This bill defines the "storing of harvested crops" to be clearly included in the process of raising a crop. It is not limited to any one crop but would include all ag commodities stored by a farmer until it is sold to the first end-point user. End point users would include our local elevators, soybean crushing plants, canola plants, ethanol plants, french fry plants, potato chip plants, buyers of fresh potatoes, bean plants, etc. All of these are commercial enterprises paying commercial property taxes that would not exist without the ag producer.

Storing crops as part of the raising process seems like common sense, but needs to be defined so that there is nothing left to interpretation. I believe the intention of the ND Century Code is that Ag property is Ag exempt.

SB 2039 does not affect ag storage on any of the other four property classifications including Railroad lease sites. The Century Code is clear that Railroad lease sites will be classified as commercial. A lot of the questions coming before the committee is confused by this.

The language in this bill will harmonize the application of taxation of ag storage across the whole state and is a common-sense solution to eliminate any ambiguity in the law.

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